

REDACTED – FOR PUBLIC INSPECTION

(300) Operating Companies
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	230494
<015>	Study Area Name	PINEVILLE TEL CO
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Jerry Weikle
<035>	Contact Telephone Number - Number of person identified in data line <030>	7047827738 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	jweikle@windstream.net
<810>	Reporting Carrier	Pineville Telephone Company
<811>	Holding Company	Town of Pineville
<812>	Operating Company	Pineville Telephone Company

[illegible]

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Pineville Telephone
Voice Services Rate Comparability
Line 1010

The FCC released a Public Notice on April 16, 2015 (DA 15-470) which listed the urban average rate as \$21.22 for residential customers. The same Public Notice listed the rate that is a reasonably comparable benchmark at \$47.48.

Pineville Telephone charges all residential customers \$4.77 plus a federal Subscriber Line Charge of \$6.50 for monthly service with unlimited local calling. The total of these charges is \$11.27 which is less than the reasonably comparable benchmark of \$47.48.

Because of this, Pineville Telephone is able to certify that it's pricing of fixed voice service is no more than two standard deviations above the applicable national average urban rate for voice service.

Pineville Telephone
Lifeline Terms and Conditions
Line 1210

As a state regulated wireline carrier, Pineville Telephone offers Lifeline service in accordance with FCC rules and terms and conditions in its tariff. The terms and conditions of the tariff are included starting on the next page of this file.

Minutes of Use

Each Lifeline customer has unlimited local usage and is able to make local calls at no additional charge. Each Lifeline customer is also able to receive unlimited local and long distance calls at no additional charge.

Toll Charges

Each Lifeline customer is able to receive toll blocking to avoid incurring unexpected toll charges. In the event the customer would like to make toll calls then the customer is able to choose which long distance company they would like to use and then choose which rate plan is best for them.

GENERAL SUBSCRIBER SERVICES TARIFF

PINEVILLE TELEPHONE COMPANY
NORTH CAROLINA

ISSUED: December 31, 2013
By: MANAGER

SECTION 3
FIFTH REVISED PAGE 10
CANCELS FOURTH REVISED PAGE 10
EFFECTIVE: January 1, 2014

OFFICIAL COPY

BASIC LOCAL EXCHANGE SERVICE

3.12 LIFELINE

3.12.1 Description of Service

- a. The Lifeline Program is designed to increase the availability of telecommunications services to low income subscribers by providing a credit for monthly recurring local service charges to qualifying residential subscribers. Basic terms and conditions are in compliance with the FCC's rules found in CFR § 54.410. Customers must be certified by the appropriate state agency that they participate in one of the following programs: Medicaid; Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps; Supplemental Security Income (SSI); Federal Public Housing Assistance (Section 8); Low-Income Home Energy Assistance Program (LIHEAP); National School Lunch Program's free lunch program; Temporary Assistance for Needy Families (TANF); or, be able to provide proof of household income which is at or below 135% of the annual Federal Poverty Guidelines for all States. Such certification must be provided to the Company. Specific terms and conditions are as prescribed by the North Carolina Utilities Commission and are set forth in this Tariff.

- b. Lifeline is supported by federal universal service support mechanisms. (D)

- c. Federal baseline support of \$9.25 is available for each Lifeline service and is passed through to the subscriber. (D)

The total Lifeline credit available to an eligible customer in North Carolina is \$9.25. The amount of the Lifeline credit will not exceed the charge for local service, which includes the access line, touch tone service, the Subscriber Line Charge and local usage. (R)

- d. The Lifeline program enables eligible subscribers to pay reduced charges for the following package of services: voice-grade access to the public switch network; local usage; dual tone multi-frequency signaling or its functional equivalent; access to emergency services; access to operator services; access to interexchange service; access to directory assistance; and toll blocking.

3.12.2 Regulations

a. General

(1)

(2) One low income credit is available per household and is applicable to the primary residential connection only. The named subscriber must be a current recipient of any of the low income assistance programs identified in Section 3.12.2b following.

(3) A Lifeline customer may subscribe to any local service offering available to other residence customers.

(4) Toll blocking is available to all Lifeline subscribers at no charge. Toll blocking will consist of Customized Code Restriction Option #2 as specified in Section 13.6 of this Tariff, and Billed Number Screening, as specified in Section 13.10.1 of this Tariff.

(5) The deposit requirement is not applicable to a Lifeline customer who subscribes to toll blocking. If a Lifeline customer removes toll blocking prior to establishing an acceptable credit history, a deposit may be required.

DOCKET NO. P100 SUB 133f
Allowed To Become Effective Pursuant
To G.S. 62-130 and G.S. 62-134

JAN - 2 2014

FILED
N.C. UTILITIES COMMISSION

Feb 26 2014

GENERAL SUBSCRIBER SERVICES TARIFF

PINEVILLE TELEPHONE COMPANY
NORTH CAROLINA

SECTION 3

ISSUED: October 11, 2013
By: MANAGER

SECOND REVISED PAGE 11
CANCELS FIRST REVISED PAGE 11
EFFECTIVE: October 11, 2013

BASIC LOCAL EXCHANGE SERVICE

3.12 LIFELINE (Continued)

3.12.2 Regulations and Applications (continued)

- (6) A Lifeline subscriber's local service will not be disconnected for non-payment of regulated toll Charges. Local service may be denied for non-payment of local calls in accordance with Section 2. Access to toll service may be denied for non-payment of regulated tolls. In such cases Customized Code Restriction Option #2 and Billed Number Screening will be applied to the Lifeline service at no charge. A Lifeline subscriber's request for reconnection of local service will not be denied if the service was previously denied for non-payment of toll charges as long as all outstanding local charges are paid.
- (7) The Presubscribed Interexchange Carrier Charge ("PICC") will not be billed to customers who subscribe to toll blocking and who do not presubscribe to a long distance carrier.

b. Eligibility

- (1) To be eligible for Lifeline credit, a customer must be a current recipient of any one of the following low income assistance programs.
- (a) Temporary Assistance For Needy Families (TANF)
 - (b) Supplemental Security Income (SSI)
 - (c) Supplemental Nutrition Assistance Program (SNAP)
 - (d) Medicaid;
 - (e) Low Income Home Energy Assistance Program ("LIHEAP");
 - (f) Federal Public Housing Assistance (Section 8);
 - (g) National School Lunch Program's free lunch program; or
 - (i) Provide proof of household income which is at or below 135% of the annual Federal Poverty Guidelines.
- (2) A standard applications form will be available only from the agency administering the qualifying program and not from the Company. All applications are subject to verification with the state agency responsible for administration of the qualifying program.

c. Certification

- (1) Proof of eligibility in any of the qualifying programs should be provided to the Company at the time of application for service. The Lifeline credit will not be established until proof of eligibility has been received by the Company. Customers must be recertified every 12 months. Without recertification, the customer's assistance will be discontinued.

DOCKET NO. P-100 SUB 133f
Allowed To Become Effective Pursuant
To G.S. 62-130 and G.S. 62-134

OCT 16 2013

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GENERAL SUBSCRIBER SERVICES TARIFF

PINEVILLE TELEPHONE COMPANY
NORTH CAROLINA

ISSUED: December 31, 2013
BY: MANAGER

SECTION 3
FIFTH REVISED PAGE 12
CANCELS FOURTH REVISED PAGE 12
EFFECTIVE: January 1, 2014

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BASIC LOCAL EXCHANGE SERVICE

3.12 LIFELINE (Continued)

3.12.2 Regulations and Applications (continued)

- (2) The Company reserves the right to periodically audit its records, working in conjunction with the appropriate state agencies, for the purpose of determining continuing eligibility. Information obtained during such audit will be treated as confidential information to the extent required under State and Federal laws. The use or disclosure of information concerning enrollees will be limited to purposes directly connected with the administration of the Lifeline plan.
- (3) When a customer is determined to be ineligible as a result of an audit, the Company will send the customer a written notice of ineligibility.

3.12.3 Rates and Charges

a. General

- (1) Lifeline is provided as a monthly credit on the eligible residential subscriber's access line bill for local service.
- (2) Service Charges in Section 4 are applicable for installing or changing Lifeline service.

b. The total Lifeline credit consists of one federal credit plus one state credit.

(1) Federal credit

(a) All programs

Monthly
Credit

\$9.25

(2)

(D)

- c. Partial payments that are received from Lifeline customers shall first be applied to local service charges and then to outstanding toll charges.

DOCKET NO. P-100 SUB 133F
Allowed To Become Effective Pursuant
To G.S. 62-130 and G.S. 62-134

JAN - 2 2014

FILED
N.C. UTILITIES COMMISSION

Feb 26 2014

Pineville Telephone
Milestone Certification
Line 3010

Certification

During 2014, Pineville Telephone Company certifies that it took reasonable steps to provide broadband service at actual speeds of at least 4 Mbps downstream and 1 Mbps upstream upon reasonable request. Because of improvements to the network, Pineville is able to provide higher speeds to all customers.

Services are provided with latency suitable for real-time applications, including Voice over Internet Protocol. Customers receive an unlimited capacity each month

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Pineville Telephone
Data on Community Anchor Institutions
Line 3012

Certification

During 2014, Pineville Telephone Company did not start providing broadband to any new community anchor institutions.

Number	Name	Address

TOWN OF PINEVILLE, NORTH CAROLINA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013**

	<u>Major Funds</u>
Assets:	-
Current assets:	
Cash and cash equivalents	\$
Accounts receivable, net	
Prepays	
Due from other funds	
Inventories	
Cash and cash equivalents, restricted	-
Total current assets	-
Non-current assets:	
Capital assets:	
Land	
Depreciable capital assets, net	—
Capital assets, net	—
Total non-current assets	—
Total assets	—
Liabilities:	
Current liabilities:	
Accounts payable and accrued expenses	
Due to other funds	
Compensated absences, current	
Liabilities payable from restricted assets:	
Customer deposits	
Advanced billing	—
Total current liabilities	—
Non-current liabilities:	
Other post-employment benefits	
Compensated absences	—
Total non-current liabilities	—
Total liabilities	—
Net Position:	
Net investment in capital assets	
Unrestricted	—
Total net position	\$ _____

The accompanying notes are an integral part of the financial statements.

TOWN OF PINEVILLE, NORTH CAROLINA

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Major Funds</u>
Operating Revenues:	-
Charges for services	\$
Other operating revenues	-
Total operating revenues	-
Operating Expenses:	
Administration	
General operations	
Electric power purchases	
Telephone access and service charges	
Depreciation	-
Total operating expenses	-
Operating income (loss)	-
Non-Operating Revenues (Expenses):	
Investment earnings	-
Total non-operating revenues (expenses)	-
Income (loss) before transfers	-
Transfers out	
Transfer to General Fund - payment in lieu of taxes	
Transfers in	-
Total transfers	-
Change in net position	
Net Position:	
Beginning of year - July 1	-
End of year - June 30	\$

The accompanying notes are an integral part of the financial statements.

TOWN OF PINEVILLE, NORTH CAROLINA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014**

Major Funds

Assets:

Current assets:

Cash and cash equivalents

Accounts receivable, net

Prepays

Due from other funds

Inventories

Cash and cash equivalents, restricted

Total current assets

Non-current assets:

Capital assets:

Land

Depreciable capital assets, net

Capital assets, net

Total non-current assets

Total assets

Liabilities:

Current liabilities:

Accounts payable and accrued expenses

Due to other funds

Compensated absences, current

Liabilities payable from restricted assets:

Customer deposits

Advanced billing

Total current liabilities

Non-current liabilities:

Other post-employment benefits

Compensated absences

Total non-current liabilities

Total liabilities

Net Position:

Net investment in capital assets

Unrestricted

Total net position

The accompanying notes are an integral part of the financial statements.

TOWN OF PINEVILLE, NORTH CAROLINA

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014**

Major Funds

Operating Revenues:

Charges for services
Other operating revenues
Total operating revenues

Operating Expenses:

Administration
General operations
Electric power purchases
Telephone access and service charges
Depreciation
Total operating expenses

Operating income (loss)

Non-Operating Revenues (Expenses):

Investment earnings
Total non-operating revenues (expenses)

Income (loss) before transfers

Transfers out
Transfer to General Fund - payment in lieu of taxes
Transfers in
Total transfers

Change in net position

Net Position:

Beginning of year - July 1

End of year - June 30

The accompanying notes are an integral part of the financial statements.

**MARTIN ♦ STARNES
& ASSOCIATES, CPAs, P.A.**

"A Professional Association of Certified Public Accountants and Management Consultants"

INDEPENDENT AUDITOR'S REPORT

To The Honorable Mayor and
Members of the Town Council
Town of Pineville, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Pineville, North Carolina, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Town of Pineville's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Pineville, North Carolina as of June 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Law Enforcement Officers' Special Separation Allowance, and Other Post-Employment Benefits' Schedules of Funding Progress and Employer Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consist of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Pineville's basic financial statements. The individual fund financial statements, budget and actual schedules, and supplemental ad valorem tax schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund financial statements, budget and actual schedules, and the supplemental ad valorem tax schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures; including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements, budget and actual schedules, and the supplemental ad valorem tax schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2014 on our consideration of the Town of Pineville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Pineville's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
October 17, 2014